

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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April 6, 2004

FROM: THOMAS L. SUTTON, Interim Director
Special Districts Department

**SUBJECT: AMENDMENT NO. 1 CONTRACT NO. 03-952 WITH VANCE CORPORATION
FOR CONSTRUCTION SERVICES; AUTHORIZE NECESSARY FY 03/04
BUDGETARY ADJUSTMENTS; FILE NOTICE OF COMPLETION; COUNTY
SERVICE AREA 70 IMPROVEMENT ZONE R-39 (HIGHLAND ESTATES)**

RECOMMENDATION: Acting as the governing body of County Service Area 70, Improvement Zone R-39, Highland Estates (District):

1. Approve Amendment No. 1 to contract No. 03-952 with Vance Corporation from Rialto, to change the scope of work due to unforeseen shallow underground utility lines that directly impacts construction and necessitates the realignment and additional construction to Baldy Mesa Road, increasing the contract by \$77,881, from \$431,953 to \$509,834.
2. Authorize the Auditor Controller/Recorder to make the following fiscal year 03/04 appropriation and revenue adjustments for the additional road construction services (4 votes required):

Increase Improvements to Land	CSR-527-4010	\$108,000
Increase Operating Transfer In	CSR-527-9975	\$108,000
Increase Operating Transfer Out	RCK-527-5030	\$108,000
Increase Operating Transfer In	RCK-527-9975	\$108,000
3. Authorize the Interim Director of the Special Districts Department to file the Notice of Completion once all work is satisfactory completed.

BACKGROUND INFORMATION: The District, in the unincorporated community of Oak Hills (Highlands Estates), maintains and operates approximately 4 miles of residential roads in this high-desert community. Earlier this year the roads were paved including one-half mile of Baldy Mesa Road that is maintained by the County Transportation Department.

On September 16, 2003, the Board of Supervisors approved a construction contract with Vance Corporation of Rialto CA. for \$421,953 to construct the improvements. On January 12, 2004 the District issued an administrative contract change order (CCO) for \$10,000 in accordance with Public Contract Code (Section 20142) to include necessary work on an additive alternate bid item, which included additional linear footage of paving a portion of Woodcliff Road. A major segment of Woodcliff Road was determined to not fall within the District boundaries and therefore could not be improved with the funds approved for the District. However, additional engineering was accomplished (during the bid process) and positively identified the segment on Woodcliff Road, which was located in the District and was authorized the improvements. At time of bid, since it was unclear as to the exact boundaries of Woodcliff Road, it was

Record of Action of the Board of Supervisors

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AMENDMENT NO. 1 TO CONTRACT NO. 03-952 TO VANCE CORPORATION FOR CONSTRUCTION SERVICES, ROAD IMPROVEMENTS; AUTHORIZE NECESSARY BUDGETARY ADJUSTMENTS TO CONSTRUCTION ACCOUNT; COUNTY SERVICE AREA 70 IMPROVEMENT ZONE R-39 (HIGHLAND ESTATES)

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advantageous to bid the segment of road improvement as an alternate bid item and not included in the total bid cost. The contract change order authorized the bid item inclusion.

During the course of construction on Baldy Mesa Road, three shallow underground utility lines, running along the southern end of the project were identified which directly impacted the planned improvements. Re-locating the utility lines was not deemed feasible, as it was cost prohibitive and not recommended by the utility purveyors due to the sensitivity of the lines. The project engineer in conjunction with the County Transportation Department engineers came up with an acceptable solution to re-align Baldy Mesa Road within the existing road right-of-way through this section. This solution, however, involved additional dirt excavation and grading that was not a part of the original scope of work. The District and contractor negotiated unit prices for the additional work based on pre-approved contractual unit costs and deemed the extra costs as being reasonable.

Approval of Recommendation No.1 will authorize amendment No.1 to contract No. 03-952 in the amount of \$77,881 based on unforeseen site conditions. Approval of recommendation No.2 authorizes the Auditor-Controller/Recorder to make appropriate FY 03/04 budgetary adjustments to the District Capital Improvement present project budget in order to accommodate the contract amendment and additional administrative costs. Approval of Recommendation No. 3 authorizes the Interim Director of the Special Districts Department to file the Notice of Completion.

REVIEW AND APPROVAL BY OTHERS: This action has been reviewed and approved by County Counsel (Daniel Haueter, Chief Deputy Counsel, 387-5467) on March 17, 2004; Program Management for the County Transportation Department (Eric Jacobsen, PWE II, 387-8170) on March 9, 2004; and by the County Administrative Office (Wayne Thies, Administrative Analyst, 387-5409) on March 26, 2004.

FINANCIAL IMPACT: Total cost increase for additional work on the project is \$108,000, which includes Contract Amendment No 1 (\$77,881); Contract Change Order No. 1 (\$10,000); and additional administrative costs (\$20,119). The administrative costs include district boundary engineering, additional project management and construction inspection due to the unforeseen conditions. The District is requesting a FY 03/04 budgetary increase of \$108,000 to the Capital Improvement Project budget account (CSR-527) increasing it from \$450,000 to \$558,000 to ensure that sufficient funds are available to cover the remaining construction and administrative costs for this fiscal year. The entire \$108,000 in costs is funded from the Transportation Department (SAA-TRA-TRA-14H13480) as reimbursement for their share of costs and extras incurred on the project.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and concurs with the department's request as being necessary due to the timely implementation of required changes to preserve the safety and welfare of the traveling public and recommends this action based on the requirements for the need of improved roads and drainage facilities in the Oak Hills community of Highlands Estates. This action has no impact on the County's General Fund.

SUPERVISORIAL DISTRICT(S): First

PRESENTER: Thomas L. Sutton 387-5950

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